

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT  
WILLIAMSBURG, IOWA

INDEPENDENT AUDITOR'S REPORTS  
BASIC FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
SCHEDULE OF FINDINGS

JUNE 30, 2009

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# WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

## OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<u>Board of Education</u>		
(Before September 2008 Election)		
Tom Claypool	President	2008
Mark Armstrong	Vice President	2008
James McMillin	Board Member	2009
Darren Spenler	Board Member	2009
Dianne Foley	Board Member	2009
<u>Board of Education</u>		
(After September 2008 Election)		
Tom Claypool	President	2011
James McMillin	Vice President	2009
Dianne Foley	Board Member	2009
Darren Spenler	Board Member	2009
Mark Armstrong	Board Member	2011
<u>School Officials</u>		
Dr. Carol Montz	Superintendent	2011
Kathryn McMann	District Secretary/Treasurer	2009
Tom Buchanan	Attorney	Indefinite

## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of  
Williamsburg Community School District:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Williamsburg Community School District, Iowa, as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements listed in the table of contents. These financial statements are the responsibility of the District's officials. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Williamsburg Community School District at June 30, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 20, 2009 on our consideration of Williamsburg Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Budgetary Comparison Information on pages 36 through 37 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The District has not presented management's discussion and analysis which introduces the basic financial statements by presenting certain financial information as well as management's analytical insights on that information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Williamsburg Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the four years ended June 30, 2008 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Oskaloosa, Iowa  
November 20, 2009

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## Basic Financial Statements

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS  
June 30, 2009

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and pooled investments	\$ 2,454,496	\$ 36,589	\$ 2,491,085
Receivables:			
Property tax:			
Current year	60,195	-	60,195
Succeeding year	3,665,685	-	3,665,685
Income surtax	452,268	-	452,268
Accounts	1,775	1	1,776
Due from other governments	366,029	-	366,029
Inventories	-	13,255	13,255
Prepaid expenses	335	-	335
Capital assets, net of accumulated depreciation (note 5)	10,779,396	79,066	10,858,462
Total assets	17,780,179	128,911	17,909,090
Liabilities			
Accounts payable	299,873	-	299,873
Salaries and benefits payable	13,358	-	13,358
Accrued interest payable	706	-	706
Deferred revenue:			
Succeeding year property tax	3,665,685	-	3,665,685
Other	71,297	7,414	78,711
Long-term liabilities (note 6):			
Portion due within one year:			
Early retirement	51,004	-	51,004
Bonds payable	150,000	-	150,000
Asbestos loan	20,189	-	20,189
Portion due after one year:			
Early retirement	168,307	-	168,307
Asbestos loan	10,096	-	10,096
Total liabilities	4,450,515	7,414	4,457,929



WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

June 30, 2009

	Governmental Activities	Business-type Activities	Total
Net Assets			
Invested in capital assets, net of related debt	\$ 10,599,111	\$ 79,066	\$ 10,678,177
Restricted for:			
Categorical funding	58,325	-	58,325
Management levy	50,095	-	50,095
Physical plant and equipment levy	51,910	-	51,910
Other special revenue purposes	119,294	-	119,294
Capital projects	470,194	-	470,194
Unrestricted	<u>1,980,735</u>	<u>42,431</u>	<u>2,023,166</u>
Total net assets	<u>\$ 13,329,664</u>	<u>\$ 121,497</u>	<u>\$ 13,451,161</u>

See notes to financial statements.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Governmental Activities:				
Instruction	\$ 7,383,966	\$ 977,898	\$ 866,849	\$ -
Support services:				
Student services	182,177	12,597	30,047	-
Instructional staff services	269,633	-	66,421	-
Administration services	831,795	-	-	-
Operation and maintenance of plant services	951,607	7,021	-	-
Transportation services	576,173	-	74,822	-
	<u>2,811,385</u>	<u>19,618</u>	<u>171,290</u>	<u>-</u>
Non-instructional programs	<u>2,601</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other expenditures:				
Facilities acquisition	173,626	-	-	1,272,057
Long-term debt interest and fiscal charges	15,897	-	-	-
AEA flowthrough	393,646	-	393,646	-
Depreciation (unallocated) *	310,201	-	-	-
	<u>893,370</u>	<u>-</u>	<u>393,646</u>	<u>1,272,057</u>
Total governmental activities	<u>11,091,322</u>	<u>997,516</u>	<u>1,431,785</u>	<u>1,272,057</u>

Net (Expense) Revenue and Changes in Net Assets		
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (5,539,219)	\$ -	\$ (5,539,219)
(139,533)	-	(139,533)
(203,212)	-	(203,212)
(831,795)	-	(831,795)
(944,586)	-	(944,586)
(501,351)	-	(501,351)
<u>(2,620,477)</u>	<u>-</u>	<u>(2,620,477)</u>
<u>(2,601)</u>	<u>-</u>	<u>(2,601)</u>
1,098,431	-	1,098,431
(15,897)	-	(15,897)
-	-	-
<u>(310,201)</u>	<u>-</u>	<u>(310,201)</u>
<u>772,333</u>	<u>-</u>	<u>772,333</u>
<u>(7,389,964)</u>	<u>-</u>	<u>(7,389,964)</u>

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
		Services		
Business-Type Activities:				
Support services:				
Administration services	\$ 72	\$ -	\$ -	\$ -
Operation and maintenance of plant services	6,667	-	-	-
	<u>6,739</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-instructional programs:				
Food service operations	518,042	380,592	152,575	-
	<u>518,042</u>	<u>380,592</u>	<u>152,575</u>	<u>-</u>
Total business-type activities	<u>524,781</u>	<u>380,592</u>	<u>152,575</u>	<u>-</u>
Total	\$ <u>11,616,103</u>	\$ <u>1,378,108</u>	\$ <u>1,584,360</u>	\$ <u>1,272,057</u>

General Revenues:

Property tax levied for:  
 General purposes  
 Capital outlay  
 Income surtax  
 Statewide sales and services tax  
 Unrestricted state grants  
 Unrestricted investment earnings  
 Other

Total general revenues

Change in net assets

Net assets beginning of year

Net assets end of year

\* = This amount excludes the depreciation included  
 in the direct expenses of the various programs.

See notes to financial statements.

Net (Expense) Revenue  
and Changes in Net Assets

<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
\$ -	\$ (72)	\$ (72)
-	(6,667)	(6,667)
-	(6,739)	(6,739)
-	15,125	15,125
-	8,386	8,386
(7,389,964)	8,386	(7,381,578)
\$ 3,734,130	\$ -	\$ 3,734,130
103,978	-	103,978
447,106	-	447,106
808,141	-	808,141
4,290,753	-	4,290,753
52,715	264	52,979
136,108	-	136,108
9,572,931	264	9,573,195
2,182,967	8,650	2,191,617
11,146,697	112,847	11,259,544
\$ <u>13,329,664</u>	\$ <u>121,497</u>	\$ <u>13,451,161</u>

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2009

	General	Nonmajor Governmental Funds	Total Governmental Funds
	<u>General</u>	<u>Funds</u>	<u>Funds</u>
Assets			
Cash and pooled investments	\$ 1,483,861	\$ 970,635	\$ 2,454,496
Receivables:			
Property tax:			
Current year	54,328	5,867	60,195
Succeeding year	3,349,748	315,937	3,665,685
Income surtax	452,268	-	452,268
Interfund receivable (note 3)	-	129	129
Accounts	1,775	-	1,775
Due from other governments	245,572	120,457	366,029
Prepaid expenses	335	-	335
	<u>5,587,887</u>	<u>1,413,025</u>	<u>7,000,912</u>
Total assets	\$ 5,587,887	\$ 1,413,025	\$ 7,000,912
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 113,589	\$ 186,284	\$ 299,873
Salaries and benefits payable	13,358	-	13,358
Interfund payable (note 3)	129	-	129
Deferred revenue:			
Succeeding year property tax	3,349,748	315,937	3,665,685
Other	523,565	-	523,565
Total liabilities	<u>4,000,389</u>	<u>502,221</u>	<u>4,502,610</u>
Fund balance:			
Reserved for:			
Categorical funding	58,325	-	58,325
Prepaid expenses	335	-	335
Unreserved, reported in:			
General fund	1,528,838	-	1,528,838
Special revenue funds	-	440,610	440,610
Capital projects fund	-	470,194	470,194
Total fund balances	<u>1,587,498</u>	<u>910,804</u>	<u>2,498,302</u>
Total liabilities and fund balances	\$ 5,587,887	\$ 1,413,025	\$ 7,000,912

See notes to financial statements.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT  
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET ASSETS  
 June 30, 2009

Total fund balances of governmental funds	\$ 2,498,302
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	10,779,396
Other long-term assets, including income surtax receivable, are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.	452,268
Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(706)
Long-term liabilities, including early retirement, bonds payable and an asbestos remediation loan, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	<u>(399,596)</u>
Net assets of governmental activities	<u>\$ 13,329,664</u>
See notes to financial statements.	

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2009

	General	Nonmajor Governmental Funds	Total
Revenues:			
Local sources:			
Local tax	\$ 3,841,175	\$ 1,161,980	\$ 5,003,155
Tuition	414,164	-	414,164
Other	187,485	571,841	759,326
Intermediate sources	13,358	-	13,358
State sources	5,520,826	177	5,521,003
Federal sources	290,976	-	290,976
Total revenues	10,267,984	1,733,998	12,001,982
Expenditures:			
Current:			
Instruction	6,733,470	706,185	7,439,655
Support services:			
Student services	174,102	-	174,102
Instructional staff services	269,633	-	269,633
Administration services	831,795	-	831,795
Operation and maintenance of plant services	859,234	92,359	951,593
Transportation services	508,861	63,535	572,396
	2,643,625	155,894	2,799,519
Non-instructional programs	2,601	-	2,601
Other expenditures:			
Facilities acquisition	-	931,934	931,934
Long term debt:			
Principal	-	160,189	160,189
Interest and fiscal charges	-	16,545	16,545
AEA flowthrough	393,646	-	393,646
	393,646	1,108,668	1,502,314
Total expenditures	9,773,342	1,970,747	11,744,089
Excess (deficiency) of revenues over (under) expenditures	494,642	(236,749)	257,893



WILLIAMSBURG COMMUNITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2009

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Other financing sources (uses):			
Sale of equipment	\$ 250	\$ -	\$ 250
Interfund transfers in (note 4)	-	176,734	176,734
Interfund transfers out (note 4)	(20,189)	(156,545)	(176,734)
Total other financing sources (uses)	<u>(19,939)</u>	<u>20,189</u>	<u>250</u>
Net change in fund balances	474,703	(216,560)	258,143
Fund balances beginning of year	<u>1,112,795</u>	<u>1,127,364</u>	<u>2,240,159</u>
Fund balances end of year	<u>\$ 1,587,498</u>	<u>\$ 910,804</u>	<u>\$ 2,498,302</u>

See notes to financial statements.

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ 258,143

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the Statement of Net Assets and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Capital contributions	\$	1,272,057	
Expenditures for capital assets		802,703	
Depreciation expense		<u>(369,105)</u>	1,705,655

Repayment of long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Assets. 160,189

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 648

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, as follows:

Early retirement		<u>58,332</u>	
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Change in net assets of governmental activities \$ 2,182,967

See notes to financial statements.

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 June 30, 2009

	<u>School Nutrition</u>
Assets	
Cash and cash equivalents	\$ 36,589
Accounts receivable	1
Inventories	13,255
Capital assets, net of accumulated depreciation	<u>79,066</u>
Total assets	<u>128,911</u>
Liabilities	
Deferred revenue	<u>7,414</u>
Net Assets	
Invested in capital assets	79,066
Unrestricted	<u>42,431</u>
Total net assets	<u>\$ 121,497</u>

See notes to financial statements.

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUND  
 Year Ended June 30, 2009

	<u>School Nutrition</u>
Operating revenues:	
Local sources:	
Charges for services	\$ <u>380,592</u>
Operating expenses:	
Support services:	
Purchased services	<u>6,739</u>
Non-instructional programs:	
Food service operations:	
Salaries	202,017
Benefits	48,182
Purchased services	308
Supplies	245,929
Depreciation	<u>21,606</u>
	<u>518,042</u>
Total expenses	<u>524,781</u>
Operating loss	<u>(144,189)</u>
Non-operating revenues:	
Interest on investments	264
State sources	5,579
Federal sources	<u>146,996</u>
Total non-operating revenues	<u>152,839</u>
Change in net assets	8,650
Net assets beginning of year	<u>112,847</u>
Net assets end of year	\$ <u><u>121,497</u></u>
See notes to financial statements.	

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
Year Ended June 30, 2009

	<u>School Nutrition</u>
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 378,170
Cash received from miscellaneous operating activities	2,775
Cash payments to employees for services	(250,199)
Cash payments to suppliers for goods or services	<u>(220,580)</u>
Net cash used by operating activities	<u>(89,834)</u>
Cash flows from non-capital financing activities:	
State grants received	5,579
Federal grants received	<u>113,023</u>
Net cash provided by non-capital financing activities	<u>118,602</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>(1,425)</u>
Cash flows from investing activities:	
Interest on investments	<u>264</u>
Net increase in cash and cash equivalents	27,607
Cash and cash equivalents beginning of year	<u>8,982</u>
Cash and cash equivalents end of year	\$ <u><u>36,589</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (144,189)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	21,606
Commodities used	34,051
(Increase) in accounts receivable	(1)
Decrease in inventories	797
(Decrease) in interfund payable	(2,451)
Increase in net OPEB liability	<u>353</u>
Net cash used by operating activities	\$ <u><u>(89,834)</u></u>
Non-cash investing, capital and financing activities:	
During the year ended June 30, 2009, the District received \$34,051 of federal commodities.	

See notes to financial statements.

# WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2009

### Note 1. Summary of Significant Accounting Policies

Williamsburg Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the City of Williamsburg, Iowa, and agricultural territory in Iowa County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

#### A. Reporting Entity

For financial reporting purposes, Williamsburg Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the District. Williamsburg Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations – The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Iowa County Assessor's Conference Board.

#### B. Basis of Presentation

District-wide Financial Statements – The Statement of Net Assets and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Assets presents the District's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The District reports the following nonmajor proprietary fund:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

The proprietary funds of the District apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust, which is valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and, at the day of purchase, have a maturity date no longer than three months.



# WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Current year property tax receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the District-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

The property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1 ½% per month penalty for delinquent payments; is based on January 1, 2007 assessed property valuations; is for the tax accrual period July 1, 2008 through June 30, 2009 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2008.

Due From Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business-type activities columns in the District-wide Statement of Net Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	\$ 5,000
Buildings	5,000
Improvements other than buildings	5,000
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	5,000

# WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2009

### Note 1. Summary of Significant Accounting Policies (continued)

#### D. Assets, Liabilities and Fund Equity (continued)

Capital assets are depreciated using the straight line method of depreciation over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	50 years
Improvements other than buildings	20 years
Furniture and equipment	5-20 years

Salaries and Benefits Payable – Payroll withholdings not remitted by year end have been accrued as liabilities.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of unspent grant proceeds, the succeeding year property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue in the Statement of Net Assets consists of the succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied, unearned grant revenues and unearned meal revenues.

Long-term Liabilities – In the District-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Assets.

Compensated Absences – The District's policy is not to reimburse employees for unused vacation. Vacation can only be used by an employee in the year it is earned. The District had no compensated absences liability at June 30, 2009.

Fund Balances – In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Invested in capital assets, net of related debt – In the District-wide Statement of Net Assets, the net asset balance invested in capital assets, net of related debt is equal to the capital assets balances, including restricted capital assets, less accumulated depreciation and the outstanding balances of any bonds, notes, or other debt that are attributable to the acquisition, construction, or improvement of those assets.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Restricted Net Assets – In the District-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Net assets restricted through enabling legislation as of June 30, 2009 consists of \$749,818.

E. Budgets and Budgetary Control

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2009, expenditures did not exceed the amounts budgeted in any functional area.

Note 2. Cash and Pooled Investments

The District's deposits in banks at June 30, 2009 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2009, the District had investments in the Iowa Schools Joint Investment Trust as follows:

	Amortized Cost
Diversified Portfolio	\$ 49,887

The investments are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

Credit Risk – The investment in the Iowa Schools Joint Investment Trust was rated Aaa by Moody's Investors Service.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 3. Interfund Receivable/Payable

The detail of interfund receivables and payables at June 30, 2009 is as follows:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General Fund	Special Revenue, Student Activity	\$ <u>129</u>

Note 4. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2009 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
Debt Service	General	\$ 20,189
	Capital Projects	<u>156,545</u>
Total		\$ <u>176,734</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2009 is as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 255,800	\$ -	\$ -	\$ 255,800
Construction in progress	61,678	262,958	147,746	176,890
Total capital assets not being depreciated	<u>317,478</u>	<u>262,958</u>	<u>147,746</u>	<u>432,690</u>
Capital assets being depreciated:				
Buildings	12,155,891	147,746	-	12,303,637
Improvements other than buildings	662,598	1,752,732	-	2,415,330
Furniture and equipment	1,267,524	59,070	10,700	1,315,894
Total capital assets being depreciated	<u>14,086,013</u>	<u>1,959,548</u>	<u>10,700</u>	<u>16,034,861</u>
Less accumulated depreciation for:				
Buildings	3,909,583	245,019	-	4,154,602
Improvements other than buildings	413,063	65,182	-	478,245
Furniture and equipment	1,007,104	58,904	10,700	1,055,308
Total accumulated depreciation	<u>5,329,750</u>	<u>369,105</u>	<u>10,700</u>	<u>5,688,155</u>
Total capital assets being depreciated, net	<u>8,756,263</u>	<u>1,590,443</u>	<u>-</u>	<u>10,346,706</u>
Governmental activities capital assets, net	<u>\$ 9,073,741</u>	<u>\$ 1,853,401</u>	<u>\$ 147,746</u>	<u>\$ 10,779,396</u>

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 5. Capital Assets (continued)

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Business-type activities:				
Furniture and equipment	\$ 284,993	\$ 1,425	\$ -	\$ 286,418
Less accumulated depreciation	<u>185,746</u>	<u>21,606</u>	<u>-</u>	<u>207,352</u>
Business-type activities capital assets, net	\$ <u>99,247</u>	\$ <u>(20,181)</u>	\$ <u>-</u>	\$ <u>79,066</u>

Depreciation expense was charged by the District to the following functions:

Governmental activities:

    Instruction:

        Regular \$ 2,643

    Support services:

        Student support 8,075

        Operation and maintenance of plant services 5,309

        Transportation 42,877

58,904

Unallocated depreciation 310,201

Total governmental activities depreciation expense \$ 369,105

Business-type activities:

    Enterprise operations \$ 21,606

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 6. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2009 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Early retirement	\$ 277,643	\$ -	\$ 58,332	\$ 219,311	\$ 51,004
General obligation bonds	290,000	-	140,000	150,000	150,000
Asbestos loan	50,474	-	20,189	30,285	20,189
Total	<u>\$ 618,117</u>	<u>\$ -</u>	<u>\$ 218,521</u>	<u>\$ 399,596</u>	<u>\$ 221,193</u>

Early Retirement

The District offers a voluntary early retirement plan to its certified employees. Eligible employees must be at least age fifty-seven by June 30 of the year of retirement and employees must have completed fifteen years of full-time service to the District. Employees must complete an application which is required to be approved by the Board of Education.

The early retirement benefit for each eligible employee is equal to single insurance coverage provided by the District at the dollar amount of single coverage at the time of the employee's retirement. Coverage at this rate will be provided until the employee reaches age sixty-five or otherwise becomes eligible for Medicare or insurance coverage from any other source.

The District also has early retirees covered by other plans. The details of these plans are available upon request at the business administration office.

At June 30, 2009, the District has obligations to nine participants with a total liability of \$219,311. Actual early retirement expenditures for the year ended June 30, 2009 totaled \$58,332. Early retirement is recorded as a long-term liability of the Governmental Activities in the District-wide financial statements.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 6. Long-Term Liabilities (continued)

General Obligation Bonds

Details of the District's June 30, 2009 general obligation bonded indebtedness are as follows:

Year Ending June 30,	Principal	Interest	Total
2010	\$ 150,000	\$ 8,476	\$ 158,476

Asbestos Loan Program Grant

During the year ended June 30, 1991, the District entered into a loan agreement with the Environmental Protection Agency to finance the removal of asbestos from the Junior-Senior High School. The agreement included a grant of \$2,274 and an interest free loan of \$363,405. The loan is to be paid in 36 equal biannual installments of \$10,094. The final date of the loan is May 30, 2011. Details of the District's asbestos management loan are as follows:

Year Ending June 30,	Payment
2010	\$ 20,189
2011	<u>10,096</u>
	<u>\$ 30,285</u>

Note 7. Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 4.10% of their annual covered salary and the District is required to contribute 6.35% of annual covered payroll for the year ended June 30, 2009. Contribution requirements are established by State statute. The District's contributions to IPERS for the years ended June 30, 2009, 2008, and 2007 were \$408,329, \$368,922, and \$341,196, respectively, equal to the required contributions for each year.



WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

Note 8. Risk Management

Williamsburg Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9. Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$393,646 for the year ended June 30, 2009 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

Note 10. Construction Commitments

The District has entered into various contracts totaling \$328,400, including change orders, for an HVAC project. As of June 30, 2009, costs of \$176,890 had been incurred against the contracts. The balance of \$151,510 remaining at June 30, 2009 will be paid as work on the project progresses.

Note 11. Contingencies

The District is involved in an ongoing lawsuit alleging harassment of a student on a school bus. The District's insurance carrier is affording coverage for this case.

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## Required Supplementary Information

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances –  
Budget and Actual – All Governmental Funds  
and Proprietary Fund  
Required Supplementary Information  
Year Ended June 30, 2009

	Governmental Funds - Actual	Proprietary Fund - Actual	Total Actual	Budgeted Amounts Original and Final	Final to Actual Variance
<b>REVENUES:</b>					
Local sources	\$ 6,176,645	\$ 386,435	\$ 6,563,080	\$ 6,405,639	\$ 157,441
Intermediate sources	13,358	-	13,358	-	13,358
State sources	5,521,003	146,996	5,667,999	5,881,998	(213,999)
Federal sources	290,976	-	290,976	375,000	(84,024)
Total revenues	12,001,982	533,431	12,535,413	12,662,637	(127,224)
<b>EXPENDITURES/EXPENSES:</b>					
Instruction	7,439,655	-	7,439,655	7,616,575	176,920
Support services	2,799,519	6,739	2,806,258	3,967,416	1,161,158
Non-instructional programs	2,601	518,042	520,643	597,899	77,256
Other expenditures	1,502,314	-	1,502,314	1,595,982	93,668
Total expenditures/expenses	11,744,089	524,781	12,268,870	13,777,872	1,509,002
Excess (deficiency) of revenues over (under) expenditures/ expenses	257,893	8,650	266,543	(1,115,235)	1,381,778
Other financing sources, net	250	-	250	2,009	(1,759)
Excess (deficiency) of revenues and other financing sources over (under) expenditures/ expenses	258,143	8,650	266,793	(1,113,226)	1,380,019
Balance beginning of year	2,240,159	112,847	2,353,006	1,607,996	745,010
Balance end of year	\$ 2,498,302	\$ 121,497	\$ 2,619,799	\$ 494,770	\$ 2,125,029

See accompanying independent auditor's report.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING

June 30, 2009

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except internal service, private-purpose trust and agency funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the accrual basis.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund or fund type. These four functions are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula.

During the year ended June 30, 2009, expenditures did not exceed the amounts budgeted.

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## Other Supplementary Information

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2009

	Special Revenue				
	Management Levy	Student Activity	Physical Plant and Equipment Levy	Capital Projects	Total
<b>Assets</b>					
Cash and pooled investments	\$ 265,406	\$ 126,436	\$ 50,043	\$ 528,750	\$ 970,635
Receivables:					
Property tax:					
Current year	4,000	-	1,867	-	5,867
Succeeding year	213,751	-	102,186	-	315,937
Due from other funds	-	129	-	-	129
Due from other governments	-	-	-	120,457	120,457
<b>Total assets</b>	<b>\$ 483,157</b>	<b>\$ 126,565</b>	<b>\$ 154,096</b>	<b>\$ 649,207</b>	<b>\$ 1,413,025</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 7,271	\$ -	\$ 179,013	\$ 186,284
Deferred revenue:					
Succeeding year property tax	213,751	-	102,186	-	315,937
<b>Total liabilities</b>	<b>213,751</b>	<b>7,271</b>	<b>102,186</b>	<b>179,013</b>	<b>502,221</b>
<b>Fund balances:</b>					
Unreserved:					
Undesignated	269,406	119,294	51,910	470,194	910,804
<b>Total liabilities and fund   balances</b>	<b>\$ 483,157</b>	<b>\$ 126,565</b>	<b>\$ 154,096</b>	<b>\$ 649,207</b>	<b>\$ 1,413,025</b>

See accompanying independent auditor's report.



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WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2009

	Special Revenue			
	Management Levy	Student Activity	Physical Plant and Equipment Levy	Debt Service
Revenues:				
Local sources:				
Local tax	\$ 249,906	\$ -	\$ 103,933	\$ -
Other	20,161	538,974	8,984	-
State sources	131	-	46	-
Total revenues	<u>270,198</u>	<u>538,974</u>	<u>112,963</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	109,752	565,443	-	-
Support services:				
Operation and maintenance of plant services	72,389	-	19,970	-
Transportation services	24,435	-	21,000	-
Other expenditures:				
Facilities acquisition	-	-	86,627	-
Long term debt:				
Principal	-	-	-	160,189
Interest and fiscal charges	-	-	-	16,545
Total expenditures	<u>206,576</u>	<u>565,443</u>	<u>127,597</u>	<u>176,734</u>
Excess (deficiency) of revenues over (under) expenditures	63,622	(26,469)	(14,634)	(176,734)
Other financing sources (uses):				
Interfund transfers in	-	-	-	176,734
Interfund transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,734</u>
Net change in fund balances	63,622	(26,469)	(14,634)	-
Fund balances beginning of year	<u>205,784</u>	<u>145,763</u>	<u>66,544</u>	<u>-</u>
Fund balances end of year	<u>\$ 269,406</u>	<u>\$ 119,294</u>	<u>\$ 51,910</u>	<u>\$ -</u>

See accompanying independent auditor's report.

<u>Capital Projects</u>		<u>Total</u>	
\$	808,141	\$	1,161,980
	3,722		571,841
	-		177
	<u>811,863</u>		<u>1,733,998</u>
	30,990		706,185
	-		92,359
	18,100		63,535
	845,307		931,934
	-		160,189
	-		16,545
	<u>894,397</u>		<u>1,970,747</u>
	(82,534)		(236,749)
	-		176,734
	<u>(156,545)</u>		<u>(156,545)</u>
	<u>(156,545)</u>		<u>20,189</u>
	(239,079)		(216,560)
	<u>709,273</u>		<u>1,127,364</u>
\$	<u><u>470,194</u></u>	\$	<u><u>910,804</u></u>

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS  
Year Ended June 30, 2009

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
All Weather Track	\$ 1,121	\$ 8,209	\$ 8,249	\$ 1,081
Athletics	3,729	122,264	120,022	5,971
Art Club	649	-	-	649
Baseball Club/Goodwin	4,233	6,564	9,501	1,296
Basketball Cheerleaders	4,971	16,738	17,889	3,820
Boys Golf Club	1,490	3,765	4,186	1,069
Change Fund	-	19,115	19,115	-
Cheerleaders	903	1,001	1,878	26
Class of:				
2007	430	-	50	380
2008	1,071	-	464	607
2009	5,602	2,824	5,461	2,965
2010	-	21,176	13,973	7,203
Construction Club	1,758	6,822	7,375	1,205
Country Club	2,041	948	1,423	1,566
Drama	8,437	8,013	5,877	10,573
Elementary Book Rental	-	33,178	33,178	-
Future Farmers of America	6,503	28,275	30,621	4,157
Future Homemakers of America	7,381	16,943	20,571	3,753
General Revenue	7,376	3,309	4,171	6,514
German Club	621	144	127	638
Grade School Activities	924	22,893	20,439	3,378
Honor Society	781	1,758	2,186	353
Interest	1,082	1,186	1,149	1,119
Jr. High Account	98	2,874	2,672	300
Jr. High Honor Society	214	-	76	138
Jr. High Student Council	1,858	538	519	1,877
Jr. High Volleyball Club	402	-	-	402
Jr./Sr. High Book Rental	-	48,013	48,013	-
Letter Winners	2,674	1,547	1,545	2,676
Library	5,646	1,559	329	6,876
Little Raiders Girls' Basketball	14,081	10,604	14,893	9,792
M & M Club	-	-	-	-
Math Club	911	145	125	931
Mikana	7,478	15,692	19,420	3,750
Music Organization	5,543	19,833	20,347	5,029
Music Trip	1,621	-	-	1,621
Pom Pom Squad	1,413	5,426	6,536	303

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS  
Year Ended June 30, 2009

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
Raider Basketball Club	\$ 7,386	\$ 8,092	\$ 12,572	\$ 2,906
Raider Football Club	5,160	32,361	32,194	5,327
Raider Softball Club	13,802	9,114	17,806	5,110
Refreshment Stand	632	20,022	20,181	473
Science Club	6	36	-	42
Soccer Club	314	2,803	2,628	489
Spanish Club	265	65	-	330
Special Education Activities	634	762	514	882
Speech Club	438	518	360	596
Student Council	3,021	12,707	15,463	265
Swimming Account	2,755	3,717	4,368	2,104
Thirty Days of Fitness	29	737	543	223
Volleyball Club	4,409	12,917	13,423	3,903
Wrestling Club	3,870	3,767	3,011	4,626
Total	\$ <u>145,763</u>	\$ <u>538,974</u>	\$ <u>565,443</u>	\$ <u>119,294</u>

See accompanying independent auditor's report.

## WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

## SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION

ALL GOVERNMENTAL FUNDS  
FOR THE LAST FIVE YEARS

	Modified Accrual Basis Years Ended June 30,				
	2009	2008	2007	2006	2005
Revenues:					
Local sources:					
Local tax	\$ 5,003,155	\$ 5,166,555	\$ 5,173,540	\$ 4,243,081	\$ 3,458,255
Tuition	414,164	366,862	334,335	320,718	278,454
Other	759,326	363,561	250,567	672,426	563,645
Intermediate sources	13,358	-	-	-	-
State sources	5,521,003	5,597,924	5,239,011	4,884,448	4,583,508
Federal sources	290,976	228,407	266,986	199,489	247,543
Total revenues	<u>\$ 12,001,982</u>	<u>\$ 11,723,309</u>	<u>\$ 11,264,439</u>	<u>\$ 10,320,162</u>	<u>\$ 9,131,405</u>
Expenditures:					
Instruction	\$ 7,439,655	\$ 6,917,692	\$ 7,052,236	\$ 6,279,684	\$ 6,136,796
Support services:					
Student services	174,102	222,678	228,693	238,184	187,036
Instructional staff services	269,633	298,098	296,555	273,013	266,860
Administration services	831,795	923,329	919,857	806,944	724,704
Operation and maintenance of plant services	951,593	992,032	956,288	1,020,780	922,571
Transportation services	572,396	501,062	471,266	538,848	403,397
Non-instructional programs	2,601	4,278	5,213	4,144	35,526
Other expenditures:					
Facilities acquisition	931,934	587,517	174,382	110,025	331,275
Long-term debt:					
Principal	160,189	155,189	430,189	410,189	405,189
Interest and fiscal charges	16,545	23,970	38,330	50,535	61,595
AEA flowthrough	393,646	390,544	368,305	339,429	326,127
Total expenditures	<u>\$ 11,744,089</u>	<u>\$ 11,016,389</u>	<u>\$ 10,941,314</u>	<u>\$ 10,071,775</u>	<u>\$ 9,801,076</u>

See accompanying independent auditor's report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Education of  
Williamsburg Community School District:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Williamsburg Community School District as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements listed in the table of contents, and have issued our report thereon dated November 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Williamsburg Community School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Williamsburg Community School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Williamsburg Community School District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies, including deficiencies we consider to be material weaknesses.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Williamsburg Community School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood a misstatement of Williamsburg Community School District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the deficiencies in internal control described in Part I of the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by Williamsburg Community School District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We noted no material weaknesses during the course of our audit.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williamsburg Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters that are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about Williamsburg Community School District's operations for the year ended June 30, 2009 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Williamsburg Community School District's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the District's responses, we did not audit Williamsburg Community School District's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Williamsburg Community School District and other parties to whom Williamsburg Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Williamsburg Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Oskaloosa, Iowa  
November 20, 2009



WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2009

Part I: Findings Related to the Basic Financial Statements:

Instances of Non-Compliance:

No matters were reported.

Significant Deficiencies:

I-A-09 Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The cash receipts listing, bank deposits and the posting of the cash receipts to the cash receipts journal were all done by the same person.

Recommendation – We realize that with a limited number of office employees, segregation of duties is difficult. However, the District should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response – We have assessed this finding and concluded that any further changes would not be cost effective.

Conclusion – Response accepted.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2009

Part II: Other Findings Related to Statutory Reporting:

- II-A-09 Certified Budget – Expenditures for the year ended June 30, 2009, did not exceed the amounts budgeted in any functional area.
- II-B-09 Questionable Expenditures – No expenditures were noted that we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979.
- II-C-09 Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- II-D-09 Business Transactions – No business transactions between the District and District officials or employees were noted.
- II-E-09 Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- II-F-09 Board Minutes – No transactions requiring Board approval which had not been approved by the Board were noted.
- II-G-09 Certified Enrollment – No variances in the basic enrollment data certified to the Department of Education were noted.
- II-H-09 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District’s investment policy were noted.
- II-I-09 Certified Annual Report – The Certified Annual Report was certified to the Iowa Department of Education timely and we noted no significant deficiencies in the amounts reported.
- II-J-09 Categorical Funding – No instances were noted of categorical funding being used to supplant rather than supplement other funds.

WILLIAMSBURG COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2009

Part II: Other Findings Related to Statutory Reporting (continued):

- II-K-09    Statewide Sales and Services Tax – No instances of non-compliance with the use of the statewide sales and services tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales and services tax. For the year ended June 30, 2009, the District's financial activity and other required information for the statewide sales and services tax are as follows:

Beginning balance	\$	-
Statewide sales and services tax revenue		808,141
Expenditures/transfers out:		
School infrastructure:		
Equipment	\$	49,090
Other improvements		136,034
Debt service for school infrastructure:		
General obligation debt		<u>156,545</u>
Ending balance	\$	<u><u>466,472</u></u>

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